GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:5496
ANSWERED ON:24.04.2001
USE OF GAS NAPHTHA AND FUEL OIL IN CHEMICALS AND FERTILIZERS
SRINIVASULU KALAVA

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the gas 'Naphtha' and fuel oil are being used by the chemical fertilizers producing companies in the country;

(b) if so, the details thereof;

(c) whether the production cost of fertilizers produced by using these materials are also different; and

(d) if so, the details of average production cost in these three types of fertilizer units, separately?

Answer

MINISTER OF CHEMICALS & FERTILIZERS (SHRI SUKHDEV SINGH DHINDSA)

(a) & (b) : Natural gas, Naphtha and Fuel Oil are the major raw materials used for manufacture of nitrogenous fertilizers. At present, the percentage of installed capacity of urea, the major nitrogenous fertilizer produced in the country, based on various raw materials is given below:

(i) Natural Gas 58%

(ii) Naphtha 30%

(iii) Fuel Oil 12%

(c) & (d): The production cost of fertilizers produced by these raw materials is different for different raw materials. Weighted average retention price of urea, which includes 12% post tax return on net worth besides unit cost of production, for the above mentioned raw materials, is given below:

(Rs. per metric tonne of urea)

(i) Gas based plants Rs. 6402/-

(ii) Naphtha Rs. 11722/-

(iii) FO/LSHS Rs. 8150/-